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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/504,803	02/16/2000	P. Howard Edelstein	01985-P0040A	6146

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EXAMINER

FELTEN, DANIEL S

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 02/21/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/504,803

Applicant(s)

Edelstein et al

Examiner

Daniel Felten

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on Dec 9, 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-54 is/are pending in the application.
- 4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-54 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some\* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\*See the attached detailed Office action for a list of the certified copies not received.

- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). \_\_\_\_\_ 6) ☐ Other:

## DETAILED ACTION

1  
2 1. Receipt of the Preliminary Amendment filed December 09, 2002 amending claims 1,  
3 11, 23, 39 and adding 54-56 are acknowledged. Claims 1-53 are pending in the application  
4 and are presented to be examined upon their merits.  
5  
6

### *Claim Rejections - 35 USC § 112*

7  
8 2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

9 The specification shall conclude with one or more claims particularly pointing out and distinctly claiming  
10 the subject matter which the applicant regards as his invention.  
11

12 3. Claims 1-37, 54 and 55 rejected under 35 U.S.C. 112, second paragraph, as being  
13 indefinite for failing to particularly point out and distinctly claim the subject matter which  
14 applicant regards as the invention. The aforementioned claims recite, "a system...". it is  
15 unclear whether the examiner is claim an apparatus or a method in the claims. However, for  
16 the sake of examination, the aforementioned claims will be examined as apparatus claims.  
17  
18

*Claim Rejections - 35 USC § 103*

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-56 are rejected under 35 U.S.C. 103(a) as being unpatentable over Nelson (US 4,823,265) in view of Hammons et al (hereinafter "Hammons", US 6,477,509 B1).

**Re claims 1, 3-6, 11, 23, 34, 38, , 39 41 and 42:**

Nelson discloses a system for facilitating the processing and management of a securities trade comprising:

A computer (see Nelson, figs. 1& 2, col. 3, ll. 4-19 );  
trade execution information *supplied by a first trading party and* received by the computer (see Nelson, col. 1, ll. 60-66), said trade execution information indicative of an executed trade by *the* first trading party (*buyer*) and comprising party supplied data elements *concerning the conditions of the* ordered trade itself (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+);  
trade allocation information received by the computer, the trade allocation information indicative of an ordered trade by a second trading party (*seller*) and comprising trade data concerning one or more details of the ordered trade itself (see Nelson, col. 3 , ll. 7+);

1 a set of predefined acceptable trade parameters/profiles (see Nelson, figs. 4a-d, col. 3, ll.  
2 5+; col. 4, ll. 21+ ); and

3 software for determining that a match exists if the trade data contained in execution  
4 information and the *party supplied data elements* correlate within the set of predefined  
5 acceptable trade parameters (see Nelson, col. 1, ll. 48-55; and col. 9, ll. 29-41; and col. 15, ll.  
6 41+).

7 Nelson fails to disclose software executing on the computer for comparing the party  
8 *supplied data elements* contained in said execution information with the trade data contained in  
9 the trade allocation information.

10 Hammons discloses software executing on the computer for comparing the party *supplied*  
11 *data elements* contained in said execution information with the trade data contained in the trade  
12 allocation information (see Hammons col. 4, ll. 15+) . Since Nelson does use certain  
13 information to match buyers and sellers (see Nelson col. 3 , ll. 7-10; col. 9, ll. 29-41), it would  
14 have been obvious for an artisan of ordinary skill at the time of the invention to compare the  
15 party supplied data elements contained in said execution information because an artisan at the  
16 time of the invention would have desired to use the latest technology to accommodate buyers and  
17 sellers with various forms of information that would be useful to make secure trades. Thus such  
18 a modification would have been an obvious expedient well within the ordinary skill in the art.

1   **Re claim 2:**

2   Wherein the set of predefined acceptable trade parameters is dependent of the identities of the  
3   first trading party and the second trading parties (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).

4  
5   **Re claims 7, 29:**

6   wherein if a match is not found to exist, software executing on the computer generates and  
7   transmits an exception notification to the first trading party and the second trading party  
8   informing them that an exception has been detected, and further comprising software executing  
9   on the computer for receiving an instruction for exception processing from at least one of the  
10   first trading party and second trading party, and for processing the exception according to the  
11   instruction for exception processing (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).

12  
13   **Re claims 8, 30:**

14   the instruction for exception processing comprises instruction to reject the match, and wherein  
15   the system terminates processing of the trade (see explanation for claims 1, 3-6, 23, 34, 38,  
16   41 and 42 above).

1   **Re claims 9, 31:**

2   the instruction for exception processing comprises an instruction to force the match, and  
3   wherein the system continues processing the trade (see explanation for claims 1, 3-6, 23, 34,  
4   38, 41 and 42 above).

6   **Re claims 10, 32:**

7   the instruction for exception processing comprises an instruction to modify at least one of the  
8   trade execution information and the trade allocation information and wherein the system  
9   continues processing the trade (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).

11   **Re claims 12, 33:**

12   the minimum pairing data comprises an indicator of whether shares are being bought or sold,  
13   an indicator of a trade date, a security identification, and an indicator of the number of shares  
14   traded (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).

16   **Re claims 13, 40:**

17   an affirmation generated by the computer if a match is determined to exist, the affirmation  
18   being transmitted to the first trading party and the second trading party confirming that a match  
19   has been detected by matching software and containing all data necessary for settling the trade  
20   (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+) .

1   **Re claims 14-18, 24, 35, 43-45:**

2   having a plurality of enrichment databases having enrichment data stored thereon (see Nelson,  
3   col. 1, ll. 60-66; col. 4, ll. 21+).

4  
5   **Re claims 19, 25:**

6   allowing the first trading party and second trading party to access the trade status database in  
7   order to view the real-time status of the trade (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).

8  
9   **Re claims 20, 36 and 37:**

10   wherein first trading party is a broker and wherein the trade execution information is extracted  
11   from an order execution notice received by the computer (see Nelson, col. 1, ll. 60-66; col. 4,  
12   ll. 21+).

13  
14   **Re claims 21, 22, 46-48:**

15   ...Extracting the trade execution information from an order execution notice;...extracting trade  
16   allocation information from an allocation;...translating the trade execution information and  
17   trade allocation into a usable format (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).



1   **Re claims 49-56:**

2   ...transmitting exception notification (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+).

3

4

5

6                                   **Conclusion**

7   6.     A list of relevant prior art appears below not relied upon in this Office Action:

8   US Patent:

9   Wagner (US 4,903,201) discloses automated futures trading exchange

10   Shavit et al (US 4,799,156) discloses interactive market management system

11   Benton (US 4,454,414) discloses funds transfer system using optically coupled, portable modules

12   Sibley, Jr. (US 4,677,552) discloses international commodity trade exchange

13   Braddock, III (US 4,12,287) discloses an automated stock exchange

14   Adams (US 3,573,747) discloses an instinet communications system

15   Kalmus et al (US 4,674,044) discloses an automated trading system

16   Nymeyer (US 3,581,072) discloses an auction computation system

17

18   7.     Any inquiry concerning this communication or earlier communications from the examiner  
19   should be directed to **Daniel S. Felten** whose telephone number is (703) 305-0724. The

20   examiner can normally be reached between the hours of 7:00AM to 5:30PM Monday-Thursday.

21   Any inquiry of a general nature relating to the status of this application or its proceedings should  
22   be directed to the Customer Service Office (703) 306-5631, or the examiner's supervisor

23   **Vincent Millin** whose telephone number is (703) 308-1065.

24

1 8. Response to this action should be mailed to:

2 Commissioner of Patents and Trademarks

3 Washington, D.C. 20231

4 for formal communications intended for entry, or (703) 305-0040, for informal or draft  
5 communications, please label "Proposed" or "Draft".

6 Communications via Internet e-mail regarding this application, other than those under 35  
7 U.S.C. 132 or which otherwise require a signature, may be used by the applicant and should be  
8 addressed to *[daniel.felten@uspto.gov]*.

9 All Internet e-mail communications will be made of record in the application file. PTO  
10 employees do not engage in Internet communications where there exists a possibility that  
11 sensitive information could be identified or exchanged unless the record includes a properly

12  
13  
14 signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly  
15 set forth in the Interim Internet Usage Policy published in the Official Gazette of the Patent and  
16 Trademark on February 25, 1997 at 1 195 OG 89.

17  
18 

19 DSF

20 February 11, 2003

VINCENT MILLIN  
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